# Hispanic Business, Trade & Culture Commission



## 2007 Annual Report

























## OFFICE OF THE GOVERNOR STATE OF MISSOURI JEFFERSON CITY 65101

MATT BLUNT

STATE CAPITOL ROOM 216 (573) 751-3222

#### Dear Fellow Missourians:

I am pleased to present the Hispanic Business, Trade and Culture Commission's annual report.

I have taken an active role in helping Missouri businesses develop and strengthen contacts with leaders in other nations and I am pleased with the progress we have seen over the last several years.

In this report you will find information about Missouri's international trade with other nations, most notably with Mexico, which is our state's second largest trading partner. In 2006, Missouri businesses exported more than \$1.2 billion worth of goods to Mexico, helping to secure jobs and open new markets. The commission held public meetings to examine the impact Hispanic-owned businesses are making on our economy and made recommendations for the Missouri General Assembly and various state agencies to help these companies succeed.

For more information about the Hispanic Business, Trade and Culture Commission, please do not hesitate to contact them at (573) 526-3606 or by e-mail at HBTCC@ded.mo.gov.

Sincerely,

Matt Blunt

## Background



The Hispanic Business, Trade & Culture Commission (HBTCC) was created by Executive Order 05-43 on December 7, 2005. The purpose of the HBTCC shall be to serve as a statewide advisory body to the Department of Economic Development, Office of International Trade & Investment, on trade and investment issues of importance and relevance to the Hispanic business community in Missouri.

The Missouri Department of Economic Development, in accordance with Executive Order 05-43, provides staffing and support for the Commission.

## Commission Responsibilities

The Commission's responsibilities shall include gathering and disseminating information concerning matters relevant to the economic needs of Hispanic businesses; monitoring legislative issues pertaining to the Hispanic business community; cultural needs and events; submitting recommendations to the Office of International Trade & Investment and private-sector entities concerning business development issues relevant to Hispanic Missourians; and, when appropriate, recommending legislative initiatives to the Department of Economic Development for the growth of Hispanic-owned businesses, private sector job creation through Hispanic education and entrepreneurialism. The Commission shall work in a liaison capacity for the Office of International Trade & Investment in order to aid in mentoring Missouri entrepreneurs of Hispanic origin while assisting them to open and expand businesses in the state. The Commission shall also help to identify and facilitate foreign and domestic investment opportunities for companies of Hispanic origin.

## Membership

## Commission Members

Representative Tim Flook, Liberty, Chairman Daniel Alvarez, Cape Girardeau Marta Burgin, St. Louis Al Gonzalez, St. Charles Crista Hogan, Springfield Lillian Hurst, Poplar Bluff Ramiro Icaza, Jackson Claudio Perez Korinko, Kansas City Jalesia McQueen, St. Louis Miguel Meneses, Kansas City Pedro Pantoja, Joplin Heraclio A. Perez, Knob Noster Jeanette Hernandez Prenger, Parkville

#### Ex-officio Members

Gregory A. Steinhoff, Director Missouri Dept. of Economic Development

## DED Staff

Kevin Stover, Sales Team Manager
Missouri Dept. of Economic Development
Mark Wine, International Business Manager
Missouri Dept. of Economic Development
Krista Zurkamer, HBTCC Coordinator
Missouri Dept. of Economic Development



Hispanic Business, Trade & Culture Commission meetings were held on the following dates at the following locations:

- December 12, 2006, Jefferson City
- January 22, 2007, Jefferson City
- March 2, 2007, Kansas City
- April 27, 2007, St. Louis
- June 22, 2007, Joplin
- September 7, 2007, Clayton
- November 30, 2007, Conference Call

## Missouri Hispanic Population

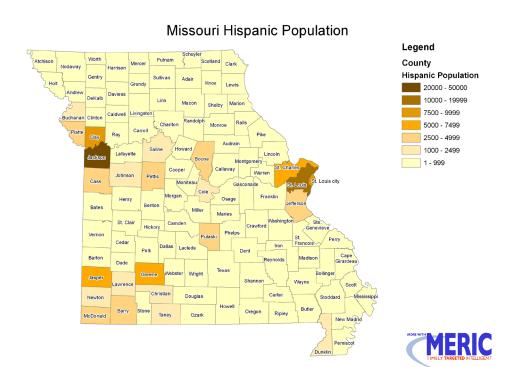
The U.S. Census Bureau estimates for 2006 that the population of those of Hispanic origin accounted for 2.8 percent of Missouri's population. With a 38.5 percent growth rate in the state since 2000, more than 164,000 Hispanics call Missouri home. The 44.3 million Hispanics nationwide represent the largest minority group in the United States. The Hispanic population has grown 25.5 percent in the nation since 2000:

## Estimates in the Hispanic Population in the U.S. since 2000

(Data received from Department of Agriculture, Mark Hitt)

- 2000 35 Million
- 2006 44.3 Million
- 2020 52 Million
- 2030 65 Million
- 2040 80 Million
- 2050 95 Million

The leading Missouri counties with Hispanic population are Jackson County (47,180), St. Louis County (19,364) and Clay County (9,428). Other top population concentrations include St. Louis City (8,953), St. Charles County (7,014), and Jasper County (6,056).





### Hispanic Population in Missouri

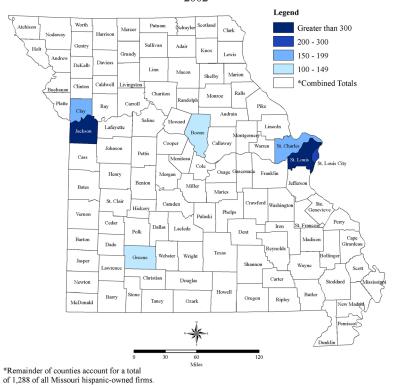
| Area           |   | Hispanic Population | o <b>n</b> |                            |                            |
|----------------|---|---------------------|------------|----------------------------|----------------------------|
|                | 2000  | 2005                | 2006       | Percent Change 2000 - 2006 | Percent Change 2005 - 2006 |
| Missouri       | 118,592   | 155,940             | 164,194    | 38.5%                      | 5.3%                       |
| Clay           | 6,594   | 8,708               | 9,428      | 43.0%                      | 8.3%                       |
| Clinton        | 205   | 272                 | 280        | 36.6%                      | 2.9%                       |
| Jackson        | 35,160  | 45,270              | 47,180     | 34.2%                      | 4.2%                       |
| Jasper         | 3,615   | 5,671               | 6,056      | 67.5%                      | 6.8%                       |
| St. Charles    | 4,176   | 6,661               | 7,014      | 68.0%                      | 5.3%                       |
| St. Louis      | 14,577  | 18,354              | 19,364     | 32.8%                      | 5.5%                       |
| St. Louis City | 7,022   | 8,661               | 8,953      | 27.5%                      | 3.4%                       |
|                | Source: U.S. Census Bureau Population Estimates |                     |            |                            |                            |

## Missouri Hispanic Business

There were 3,652 Hispanic-owned firms in Missouri in 2002, down from 4,107 in 1997, according to recently released data from the U.S. Census Bureau's 2002 Survey of Business Owners. This was an 11.1 percent decrease in the number of Hispanic-owned firms in the state. These firms accounted for \$682 million in sales and

receipts in 2002. The concentrations of Hispanicowned businesses are in the St. Louis and Kansas City Metropolitan Statistical Areas (MSAs) in general, and the counties that make up those MSAs. These counties include: St. Louis County (20.9 percent), followed by Jackson County (19.9 percent), St. Louis City (7.3 percent), Clay County (4.9 percent) and St. Charles County (4.5 percent). In Greene County (3.7 percent) within the Springfield metro area and Boone County (3.4 percent) within the Columbia MSA, there were more than 100 Hispanic-owned businesses. In the U.S., there were 1.57 million Hispanicowned firms in 2002, up 31.2 percent from 1997. Sales and receipts from Hispanic-owned firms totaled \$226.5 billion in 2002. Hispanic-owned firms made up 6.9 percent of all firms and 1.0 percent of all sales and receipts in the U.S. Missouri ranked 30th among the states in the total number of Hispanic-owned firms. Southwest and North Central Missouri are also seeing a growth in Hispanic-owned businesses due to the industry impacts of tourism, poultry, and meat packing.

#### Number of Hispanic-Owned Firms by County 2002





## Percentage of Hispanic-Owned Firms by State in 2002

| Ra | nk State  | Number of Hispanic-Owned Firms | Share of U.S. Total | Sales and Receipts (\$M) |
|----|---|--------------------------------|---------------------|--------------------------|
|    | United States   | 1,574,159                      |                     | \$226,468                |
| 1  | California  | 427,805                        | 27.2%               | \$57,835                 |
| 2  | Texas   | 319,460                        | 20.3%               | \$42,250                 |
| 3  | Florida   | 266,828                        | 17.0%               | \$41,029                 |
| 4  | New York  | 163,659                        | 10.4%               | \$12,752                 |
| 5  | New Jersey  | 49,846                         | 3.2%                | \$9,155                  |
| 6  | Illinois  | 39,553                         | 2.5%                | \$7,516                  |
| 7  | Arizona   | 35,102                         | 2.2%                | \$4,651                  |
| 8  | New Mexico  | 29,716                         | 1.9%                | \$5,109                  |
| 9  | Colorado  | 24,054                         | 1.5%                | \$5,114                  |
| 10 | Virginia  | 19,017                         | 1.2%                | \$3,455                  |
| 27 | Kansas  | 4,188                          | 0.3%                | \$674                    |
| 30 | Missouri  | 3,652                          | 0.2%                | \$682                    |
|    | Source: U.S. Census Bureau, Survey of Business Owners |                                |                     |                          |

When evaluating the Hispanic-owned businesses in Missouri by industry, most are classified as "other services" (15.6 percent); followed by professional, scientific and technical services and construction (11.9 percent each); health care and social assistance (10.8 percent); and retail trade (10.5 percent). Other significant sectors include administrative, support and waste management (7.6 percent); and arts, entertainment and recreation (5.9 percent). When assessing total sales and receipts, the largest grossing industries include retail trade; construction; wholesale trade; professional, scientific and technical services; accommodation and food services; and manufacturing. This indicates that, although both trade sectors have fewer firms, they have a larger impact on Missouri's economy in terms of gross sales.

## Hispanic-Owned Businesses Percent of Firms by Industry, 2002

| <b>Industry</b> Per                          | cent of All Firms | Firms | Sales and Receipts (\$1000s) |
|--|-------------------|-------|------------------------------|
| Retail trade                                 | 10.5              | 383   | \$141,546                    |
| Construction                                 | 11.9              | 435   | 116,889                      |
| Wholesale trade                              | 1.8               | 64    | 81,992                       |
| Professional, scientific, and technical serv | rices 11.9        | 433   | 67,032                       |
| Accommodation and food services              | 4.8               | 176   | 62,984                       |
| Manufacturing                                | 2                 | 73    | 46,396                       |
| Health care and social assistance            | 10.8              | 395   | 39,411                       |
| Industries not classified                    | 8.8               | 320   | 38,542                       |
| Administrative and support and waste ma      | nagement 7.6      | 276   | 37,898                       |
| Transportation and warehousing               | 2.5               | 91    | 10,332                       |
| Arts, entertainment, and recreation          | 5.9               | 214   | 7,864                        |
| Finance and insurance                        | 2.9               | 107   | 6,496                        |
| Other services (except public administration | (on) 15.6         | 569   | 2,400                        |
| Educational services                         | 3.1               | 114   | 650                          |
| Management of companies and enterprise       | es                | 1     | D                            |
| Mining                                       |                   | 1     | D                            |
| MISSOURI TOTAL                               |                   | 3,652 | \$682,032                    |

Source: U.S. Census Bureau, Survey of Business Owners

There are various Hispanic organizations that have been active and instrumental in the Hispanic community in promoting Hispanic business ownership, growth and job creation. The Hispanic Chamber of Commerce of Greater Kansas City and the St. Louis Hispanic Chamber of Commerce, with similar chambers in Joplin and even Noel, Missouri, have been a primary source for networking, social and information exchanges for Hispanic business owners. The Hispanic Economic Development Council of Kansas City, Missouri has also provided resources for small business planning and development within the Hispanic community which has been helpful. The Hispanic Leaders Group of Greater St. Louis represents a strong and supportive voice to promote Hispanic views in education, culture, language, immigration, health, economic development, organized labor, employment, political matters, and civil rights. The Cambio Center at the University of Missouri provides education and enhances the welfare of all residents of the state of Missouri with the local effects of globalization. The Guadalupe Center in Kansas City provides early childhood, secondary and adult education; assists in the access of health and social services for all ages; promotes and provides Latino cultural enrichment events; and sponsors social activities engaging the diverse community.

Nevertheless, the reoccurring comments received from various witnesses at Commission hearings are consistent with what was discovered by the 2004 Hispanic Affairs Commission. Missouri Hispanics have a tremendous entrepreneurial spirit, particularly within the immigrant community. Those seeking to start or expand their business are often inhibited by limited English language skills and limited knowledge of, or access to, financing alternatives for business start-ups or expansions. Often times, Hispanic immigrants arrive in Missouri and elsewhere in the U.S. with as little as a fifth grade education from which to build upon. These are areas of need that cannot be fully addressed by the various chambers of commerce and economic development efforts.

## Promoting Hispanic Job Creation and Meeting Community Needs

- Basic education is the core foundation of job creation and job skills in any community. The work and study performed by the 2004 Commission on Hispanic Affairs under Governor Bob Holden provided valuable information and insight regarding the special needs of Hispanic immigrant children for elementary and secondary (K-12) education in Missouri. The Commission recommends that the Department of Economic Development work with the Department of Elementary and Secondary Education to better implement programs to develop English literacy, reading, math and science skills for Hispanic immigrant children, to include:
  - 1. Promoting increased involvement of parents in adult English education courses in conjunction with English language courses and assistance to K-12 immigrant children.
  - 2. Promoting increased involvement of Hispanic immigrant parents in the Parents as Teachers program.
- DESE will promote English language classes for Hispanic children, adults and business owners legally residing in Missouri. They will explore opportunities to determine if any incentive programs at DED can assist these endeavors. Other funding or grants should be considered for continuing an enhanced support of adult English language classes..
- Continue and enhance the support of Hispanic organizations that provide educational and job training services by promoting the various tax incentive and business start-up services provided by the State within

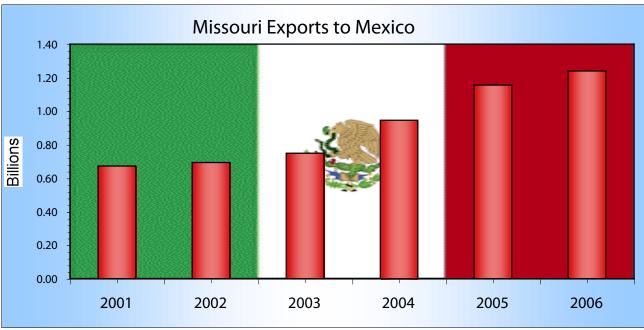


the Hispanic business community and removing regulatory barriers that impede Hispanic job creation programs. For example, the removal of the requirement that organizations and programs, such as the Guadalupe Center, Inc.'s Culinary School in Kansas City, be required to apply for program funding. Allow qualified organizations to contract directly can result in a savings as much as 10% and thus result in a funding increase for such jobs program without altering the budget for the Division.

- Expand the role of Hispanic Day at the Capitol as a cultural, business, political event.
- Explore Youth Opportunities Tax Credits and Neighborhood Assistance Tax Credits for specific targeting of the Hispanic regions of Kansas City, St. Louis and Springfield.
- The Commission recommends in 2008 that a "Hispanic Business of the Year" award be presented at the Governor's Economic Development Conference.

## Missouri Hispanic Trade

In 2006, Missouri exported \$1,239,366,441 in goods to Mexico. This ranks Mexico 3rd among the 232 international buyers of Missouri goods. Missouri exports to Mexico increased from the previous year by \$84,373,327 or 7.31 percent. State exports to Mexico have increased over the last 5 years by \$566,328,098 or 84.14 percent. Missouri exports account for .92 percent of all 2006 U.S. exports to Mexico. Missouri was the 20th leading exporter to Mexico in the United States in 2006. Both Illinois and Iowa were ranked above our state at 5th and 19th.



Missouri has a long history of international trade and sales of Missouri made products. The movement toward free market systems since 1980 and the implementation of NAFTA\* and CAFTA-DR\*\* have created more markets and consumers of Missouri's products worldwide. About 45 percent of all goods or products sold worldwide are made in America, and Missouri is growing its exports and enlarging its share of the global market place.

<sup>\*</sup> North America Free Trade Agreement

<sup>\*\*</sup>Central America - Dominican Republic - Free Trade Agreement

| Ranking in 2006 | State                             | State Exports to Mexico<br># in Thousands \$USD |
|-----------------|-----------------------------------|---|
| 1               | Texas                             | 54,876,675                                      |
| 2               | California                        | 19,632,985                                      |
| 3               | Arizona                           | 5,370,626                                       |
| 4               | Michigan                          | 4,685,431                                       |
| 5               | Illinois                          | 3,407,655                                       |
| 6               | Ohio                              | 2,707,934                                       |
| 19              | Iowa                              | 1,283,893                                       |
| 20              | Missouri                          | 1,239,366                                       |
|                 | Source: www.tradestatsexpress.gov |   |



When evaluating the industry makeup of Missouri exports to Mexico, we find that transportation equipment was the largest at \$315,629,642 in 2006. The largest dollar gain was the paper industry with an increase of \$30,997,663; a 322.78 percent change. The biggest dollar loss was in agricultural products with a decrease of \$30,257,980; a -14.84 percent change.

## Missouri Exports to Mexico by Industry

| Industry   | 2006          | Percent of Total |
|--|---------------|------------------|
| Total Missouri Exports to Mexico                               | 1,239,366,441 |                  |
| 336 - Transportation Equipment                                 | 315,629,642   | 25.5%            |
| 111 - Agricultural Products                                    | 173,633,748   | 14.0%            |
| 335 - Electrical Equipment, Appliances, And Component          | 147,298,678   | 11.9%            |
| 325 - Chemicals  | 127,769,147   | 10.3%            |
| 333 - Machinery, Except Electrical                             | 83,074,285    | 6.7%             |
| 311 - Food And Kindred Products                                | 79,703,190    | 6.4%             |
| 331 - Primary Metal Manufacturing                              | 61,792,816    | 5.0%             |
| 332 - Fabricated Metal Products, Nesoi                         | 52,653,155    | 4.2%             |
| 334 - Computer And Electronic Products                         | 49,256,973    | 4.0%             |
| 322 - Paper  | 40,600,982    | 3.3%             |
| 910 - Waste And Scrap  | 25,374,569    | 2.0%             |
| 312 - Beverages And Tobacco Products                           | 24,517,007    | 2.0%             |
| 326 - Plastics And Rubber Products                             | 18,644,704    | 1.5%             |
| 212 - Minerals And Ores  | 7,417,976     | 0.6%             |
| 339 - Miscellaneous Manufactured Commodities                   | 6,744,068     | 0.5%             |
| 313 - Textiles And Fabrics                                     | 6,117,604     | 0.5%             |
| 327 - Nonmetallic Mineral Products                             | 6,080,127     | 0.5%             |
| 321 - Wood Products  | 3,034,695     | 0.2%             |
| 990 - Special Classification Provisions, Nesoi                 | 2,782,786     | 0.2%             |
| 337 - Furniture And Fixtures                                   | 1,727,681     | 0.1%             |
| 323 - Printing, Publishing And Similar Products                | 1,501,444     | 0.1%             |
| 324 - Petroleum And Coal Products                              | 1,175,121     | 0.1%             |
| 113 - Forestry Products, Nesoi                                 | 777,950       | 0.1%             |
| 314 - Textile Mill Products                                    | 664,719       | 0.1%             |
| 920 - Used Or Second-hand Merchandise                          | 418,795       | 0.0%             |
| 316 - Leather And Allied Products                              | 353,343       | 0.0%             |
| 315 - Apparel And Accessories                                  | 347,237       | 0.0%             |
| 112 - Livestock And Livestock Products                         | 225,313       | 0.0%             |
| 114 - Fish, Fresh, Chilled, Or Frozen And Other Marine Product | 48,686        | 0.0%             |
| 511 - Prepackaged Software                                     | 0             | 0.0%             |
| Source: WISER  |               |                  |

Tens of thousands of jobs in Missouri are supported by international trade: 2 in 9 jobs in primary metals exports; 1 in 3 jobs in computers and electronic products; and 1 in 7 jobs in chemical manufacturing. As of 2005,

Missouri's manufacturing sales had generated 87,700 jobs within the state of Missouri. In 2005, 1 out of 5 private sector jobs were supported by Missouri's export sales. Nearly 4,750 Missouri businesses sell their products internationally with 82 percent being small to medium-sized businesses. Missouri businesses produced \$15.7 billion for our local economy through international trade in 2005. Today, there are 84,200 Missourians employed by foreign companies operating in Missouri. From 1999 to 2004, 2,500 jobs were added in Missouri from foreign companies operating in our state and made up 3.6 percent of the state's total private

industry employment in 2004.

The North America SuperCorridor Coalition (NASCO) is a transportation network linking Mexico, the United States and Canada. The corridor runs through the United States along Interstate 35, from the Mexican border at Laredo, Texas, to the Canadian border north of Duluth, Minnesota. Right in the middle of the SuperCorridor is Kansas City, Missouri, with an intersection to Interstate 35, Interstate 70 and Interstate 29. Kansas City's proximity to the rail lines running both north-south and east-west benefits the Interstate 35 route along the corridor. Kansas City also offers more Foreign Trade Zone space than any other city in the United States. Kansas City Southern is currently developing intermodal capacity at the Richards-Gebaur Air Force Base as a logistics center centrally located in the United States.



## The Commission's Assessment of Missouri's Strengths in International Export Trade

- The Department of Economic Development has a well-established department for international trade with experienced staff. Their primary focus has been on international business consulting, market research of general consumer trends in Latin America, attending trade shows, learning and advising in international protocols, and trade lead development or referrals for Missouri businesses.
- Well-developed Hispanic Chambers of Commerce in Kansas City and St. Louis, whose membership includes businesses focused on international trade.
- Kansas City, Missouri's Mexiplex housing, the Kansas City-Mexico Trade Commission and the Mexican Consulate's office in the same building.
- Corporate activity: KC Southern Railway's efforts to further expand the trade corridor through Kansas City, in conjunction with the KC SmartPort and the Richards-Gebaur intermodal facility. This inland port and related developments are increasing the stakes and role of Kansas City in the global market place and set Kansas City, Missouri for significant growth in transportation, warehousing, and import-export trade.

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 The recent decrease in valuation of the U.S. Dollar has made Missouri products more affordable in Latin America and Mexico and thus should assist in efforts to increase export sales.



 Since 2006, the Department of Economic Development has increased their efforts to provide workshops for export outreach and export finance to Missouri businesses with 49 workshops completed.

## The Commission's Assessments of Areas to Seek Improvement for Trade in Exports

- St. Louis lacks the developed public-private relationships that have developed in Kansas City between the KC Mexico Trade Office, the SmartPort, and companies such as Western Forms and KC Southern Railways.
- Missouri's Department of Economic Development performs market research for the Latin American consumer, but does it at a general overview approach and does not research niche markets that would be well suited for Missouri products and services.
- The Missouri Department of Economic Development has experienced difficulty in securing larger participation of small and medium-sized businesses in trade seminars and trade missions to Mexico. This is due in part to the financial cost to the business owners to take time away or travel, and due in part to lack of knowledge on the part of these business owners.
- Missouri's International Trade Offices have been significantly reduced, due to budget changes since 2001, from 13 total trade offices to 7 trade offices worldwide. While export revenues have increased since 2001, the global market is very competitive and the emerging markets in Mexico and Latin America contain many undiscovered opportunities for Missouri products.
- Building business leads in Mexico and Latin America takes time and regular attention to gain relationships and foundations of trust between the buying and selling parties.
- The Department of Economic Development's export outreach programs and export financing work shops are performed periodically but are not widely known or publicized. The various local efforts at export sales development often do not include state resources. This is due in part to budget constraints with the Department of Economic Development and the need for local organizations to integrate the State into more of their ongoing business development or job creation events.
- The Department of Economic Development web site is underdeveloped for the dissemination of information. A visitor to the web site is not swiftly able to identify their choices for workshops and there are no references to printed materials or links to other export business development internet resources, local trade organizations or chambers of commerce.
- Ideas and innovations for business and trade are most efficiently identified by consumer demand trends and the experiences of private businesses engaged in product or services exports. The Commission recommends that the Department of Economic Development institute a survey of exporters to determine their views on consumer demand trends, when and where deregulation is necessary, and areas of need. The Commission



further recommends that the DED seek more refined market research in Mexico and Latin America that seeks niche markets that match Missouri products. It is further recommended that the State of Missouri seek to increase the appropriations for the Office of International Trade & Investment to its pre-2005 budget or to approximately \$1.2 million annually and provide funding for enhanced export market research.

## Missouri Hispanic Culture

Hispanics in the United States have had an enormously positive impact on the American culture and economy. This has been the case in Missouri as well. There is a rich and vibrant cultural heritage that has added a positive social and economic element to the American way of life, and honorable service as American Citizens.

- There are 1.1 million Hispanic veterans of the U.S. armed forces. (Source: GI Forum)
- 31% of all Congressional Medals of Honor in our nation have been issued to Hispanics. Hispanics are among the most decorated ethnic groups in U.S. Military History. (Source: GI Forum)
- The Minority Business Development Agency has estimated that the total disposable personal income of minorities in the U.S. will reach \$2 trillion by 2010 more than 70% of this is expected to be attributed to Hispanics.
- Hispanic consumer preferences are expected to be a driving force in the U.S. economy of this century: in addition to food, fashion, personal care products, long distance service, banking and travel, Hispanic consumers are expected to have a higher profile in sectors such as insurance, luxury cars and investment services according to Hispanic Business.com, "Hispanic Purchasing Power Surges to \$700 Billion" (May 2004).
- More than a third of the \$585 billion in disposable income of Hispanics in 2001 was spent in two categories: food and vehicles according to AdAge.com, "Hispanic Ad Spending Increasing Sharply" (June 29, 2005).
- According to the same source, Hispanics spend 1/4th of their disposable income on food and spend comparatively more on food than the average U.S. household.
- According to estimates made by J.D. Power and Associates, by 2020, Hispanics could account for 13% of the new and used auto market.
- The growth of Hispanics as consumers and general American consumption of Hispanic foods demonstrates a significant cultural and economic impact on the U.S. and Missouri. The Missouri Department of Agriculture has produced data on Hispanics as a consumer market for the purposes of food products.
  - 1. Hispanic Food Market is a Growth Market with distinctive traits that represent a large market of Hispanic and non-Hispanic consumers.
  - 2. 2003, the 39 million Hispanic consumers in the U.S. spent \$64 billion on food at home. Comparatively, this is more spent than would be spent by a collection of 100 million Latinos in Mexico or even 170 million Latinos in Brazil.
  - 3. As for food consumed away from home, U.S. Hispanics spent \$26.5 billion in 2002, 40% more than Mexicans and Brazilians.
- Hispanic Impact on Food Trends
  - 1. Per the Penton MenuTrak's 2003 survey, a majority of restaurant-goers picked Mexican and Latin American food as the hottest trend in menu flavors.
  - 2. Demand for Latin foods in U.S. restaurants is growing at more than 10% annually.
  - 3. By 2008, retails sales of Hispanic foods will reach \$3.34 billion: (These figures do not include tortilla or corn chip sales. One unconfirmed estimate states that more Americans are now eating tortillas on a

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regular basis than Wonder bread.)

- \$1.11 Billion in Mexican Sauces
- \$1.31 Billion in Mexican foods
- \$ 256.8 Million in refrigerated foods
- \$ 659.1 Million in frozen foods



- Hispanic consumer preferences are expected to be a driving force in the U.S. economy of this century: in addition to food, fashion, personal care products, long distance service, banking and travel, Hispanic consumers are expected to have a higher profile in sectors such as insurance, luxury cars and investment services according to Hispanic Business.com, "Hispanic Purchasing Power Surges to \$700 Billion" (May 2004). In St. Louis, Hispanic categories of spending are ranked as follows, based on statistics gathered by Red Latina:
  - 1. Food
  - 2. Automobile Dealers
  - 3. Housing
  - 4. Eating and drinking establishments
  - 4. Gasoline & Car repair
  - 5. Money Transfers
  - 6. Apparel & Accessories
  - 7. General Merchandise
  - 7. Travel
  - 8. Furniture/Appliances
  - 9. Others

## Promoting Hispanic Cultural Events and Diversity

- Encourage continued participation in "Hispanic Day" at the Capitol
- Recommend Legislative, Executive and Judicial Branches of the state to meet with representatives participating in "Hispanic Day" at the Capitol
- Recommend Missouri state departments to participate in "Hispanic Day" at the capitol and share their resources with the Hispanic community
- Promote Hispanic historic contributions to Missouri
- Division of Tourism to assist and promote Kansas City, St. Louis and Springfield Hispanic cultural events (e.g. Fiesta Hispania in KC)
- State recognition of Hispanic Heritage Month, September 15 October 15

#### 2008 Commission Outlook

The Hispanic Business, Trade and Culture Commission will continue its fact finding mission in 2008 to pursue additional trade/investment issues and identify further economic needs of Hispanic businesses in Missouri. The Commission believes it is important in 2008 to gather more detailed information in the fields of education, culture, business and employment and trade to identify more specific needs and business trends. More focused research in these areas will allow the Commission to move forward with more refined proposals and recommendations for the state of Missouri. The Commission shall continue their outreach to the various organizations existing in Missouri that provide services to the Hispanic business and trade community. The Commission will work with the Department of Economic Development in moving forward many of the initiatives and assessments produced by the Commission in this report. The Commission will work with the organizers of "Hispanic Day" at the Capitol to coordinate the participation and representation of the state departments and elected officials.



#### EXECUTIVE ORDER 05-43

WHEREAS, Spanish-speaking Missourians and Missourians who identify themselves as Hispanic make up a vibrant and growing segment of the business and industry sectors of this state; and

WHEREAS, economic development within the Hispanic community benefits all members of the community and all citizens of this state; and

WHEREAS, adequate means must be provided to ensure that Hispanic Missourians have a voice within the business community; and

WHEREAS, members of the Hispanic community have unique concerns and specific needs with regard to economic development assistance; and

WHEREAS, appropriate and additional means should be developed to ensure that government is responsive to the crucial issues facing the Hispanic business community.

NOW, THEREFORE, I, Matt Blunt, Governor of the State of Missouri, by the power vested in me by the Constitution and Laws of the State of Missouri, do hereby create and establish the Hispanic Business, Trade and Culture Commission.

The purpose of the Hispanic Business, Trade and Culture Commission shall be to serve as a statewide advisory body to the Department of Economic Development, Office of International Trade & Investment, on trade and investment issues of importance and relevance to the Hispanic business community in Missouri.

The Commission's responsibilities shall include, but not be limited to, gathering and disseminating information concerning matters relevant to the economic needs of Hispanic businesses; monitoring legislative issues pertaining to the Hispanic business community; submitting recommendations to the Office of International Trade & Investment and private-sector entities concerning business development issues relevant to Hispanic Missourians and, when appropriate, recommending legislative initiatives to the Department of Economic Development.

The Commission shall work in a liaison capacity for the Office of International Trade & Investment in order to aid in mentoring Missouri entrepreneurs of Hispanic origin while assisting them to open and expand businesses in the state. The Commission shall also help to identify and facilitate foreign and domestic investment opportunities for companies of Hispanic origin.

Commission members shall act as ambassadors of the state of Missouri while traveling abroad. Reports shall be submitted quarterly indicating foreign company references, business visits, and mentoring meetings, as well as any international trips taken on Commission business.

An annual report on the Commission's activities and accomplishments during the preceding year shall be produced by the executive board and submitted to the Director of International Trade & Investment.

The Commission shall be composed of not more than fifteen citizen members and one ex-officio member, who shall be an employee of the Missouri Office of International Trade & Investment. The Director of the Department of Economic Development shall appoint all citizen members of the Commission and shall designate the Office of International Trade & Investment member.

All members of the Commission shall be legal residents of the United States and registered voters in the state of Missouri. The citizen members shall be selected with a view toward equitable geographic representations, with at least one member from each of the defined economic regions within the state of Missouri, and representation of persons who are business owners or founding members of not-for-profit organizations. Not more than nine of the citizen members shall be from the same political party.

The Governor shall select a chairperson and vice-chairperson who shall hold their positions at the pleasure of the Director of the Department of Economic Development. All citizen members of the Commission shall serve without compensation, except that members may be reimbursed for reasonable and necessary expenses arising from Commission activities or business. Such expenses shall be paid by the Department of Economic Development, to which the Commission is assigned for administrative purposes.



Commission members shall serve at the pleasure of the Director of the Department of Economic Development. If no action has been taken sooner, each Commission member shall serve for a term of three years; provided, however, that of the members first appointed, five shall be appointed for a term of one year, five for a term of two years, and five for a term of three years. Any vacancies shall be filled for the balance of the departing member's unexpired term. Each member shall continue to serve until a successor is duly appointed. A citizen may be reappointed, but shall not serve more than two complete terms.

The Commission shall conduct not less than two meetings and not more than four meetings per calendar year with one meeting to include the annual International Trade & Investment foreign director's meeting. The chairperson of the Commission may establish subcommittees as necessary to further the objectives and responsibilities of the commission, and those subcommittees may meet as often as necessary. Attendance at the commission meetings is mandatory, with failure to attend at least half (50%) of official meetings in any twelve-month period resulting in removal from the Commission.

The Commission shall convene no earlier than November 30, 2005, and no later than November 1, 2006.

Executive Order 03-24 and all previous Executive Orders pertaining to the subject matter contained therein are hereby superseded and the Missouri Governor's Commission on Hispanic Affairs is hereby abolished.



IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the Great Seal of the State of Missouri, in the City of Jefferson, on this 30<sup>th</sup> day of November, 2005.

Matt Blunt Governor

ATTEST:

Robin Carnahan Secretary of State



## EXECUTIVE ORDER

WHEREAS, Spanish-speaking Missourians and Missourians who identify themselves as Hispanic make up a vibrant and growing segment of the population of this state; and

WHEREAS, economic development within the Hispanic community benefits both members of that community and all citizens of this state; and

WHEREAS, adequate means must be provided to ensure that Hispanic Missourians have a voice within state government; and

WHEREAS, members of the Hispanic community have unique concerns and needs with regard to the services provided by state government; and

WHEREAS, appropriate and additional means should be developed to ensure that government is responsive to the crucial issues facing the Hispanic community;

NOW, THEREFORE, I, Bob Holden, Governor of the State of Missouri, by the power vested in me by the Constitution and Laws of the State of Missouri, do hereby create and establish the Missouri Governor's Commission on Hispanic Affairs.

The purpose of the Commission on Hispanic Affairs ("Commission") shall be to serve as a statewide advisory body to the Governor and the General Assembly on issues of importance to the Hispanic citizens of Missouri. The Commission's responsibilities shall include, but not be limited to, gathering and disseminating information concerning matters relevant to economic, social, and cultural needs of Hispanic Missourians, monitoring legislative issues pertaining to the Hispanic community, making recommendations to state agencies and private-sector entities concerning issues relevant to Hispanic Missourians, and, where appropriate, recommending legislative initiatives to the Office of the Governor.

The Commission shall develop a unified plan of action to address specific issues of importance to the Hispanic citizens of the state. The Commission shall produce an annual report on the Commission's activities and accomplishments during the preceding year.

The Commission shall be composed of not more than fifteen citizen members appointed by the Governor and not more than seven ex officio members who are employed by and shall represent state agencies. All members of the Commission shall be legal residents of the United States and registered voters in the State of Missouri. The citizen members shall be selected with a view toward equitable geographic representation within the State of Missouri, a broad representation of national and ethnic backgrounds, and representation of persons who are fluent in the Spanish language. Not more than nine of the citizen members shall be from the same political party. One ex officio member of the Commission shall represent each of the following state Departments: Elementary and Secondary Education, Higher Education, Public Safety, Revenue, Health and Senior Services, Labor and Industrial Relations, and Economic Development. The ex officio members shall be designated by the Directors of their respective agencies.

The Commission shall, by majority vote, select one of its members to serve as its chairperson, who shall hold the position of chairperson at the pleasure of the Governor. The Commission may, by majority vote, select an additional member to serve as vice-chair if the Commission deems such a selection appropriate. The term of



office for citizen members of the Commission shall be three years, and no citizen member shall serve more than two such terms. All members of the Commission shall serve at the pleasure of the Governor and shall serve without compensation, except that the members may be reimbursed for reasonable and necessary expenses arising from commission activities or business. Such expenses shall be paid by the Department of Economic Development, to which the Commission is assigned for administrative purposes.

The Commission shall conduct not less than two meetings and not more than four meetings per calendar year. The chairperson of the Commission may establish subcommittees as necessary to further the objectives and responsibilities of the Commission, and those subcommittees may meet as often as necessary.

The Commission shall convene no earlier than January 1, 2004, and no later than March 1, 2004.

This Order shall be effective immediately and shall supersede all previous Executive Orders pertaining to the same subject.

Bob Holden Governor

Attest:

SECRETARY OF STATE



#### EXECUTIVE ORDER 84-14

WHEREAS, Spanish-speaking citizens of Missouri have special needs and concerns upon which the State should focus attention.

NOW, THEREFORE, I, CHRISTOPHER S. BOND, GOVERNOR OF THE STATE OF MISSOURI, by virtue of the authority vested in me by the Constitution and laws of the State of Missouri, hereby establish the Governor's Advisory Council on Hispanic Affairs, hereinafter referred to as "the Council," ad hoc, as follows:

- The Council shall be comprised of fifteen members appointed by the Governor, each of whom shall be knowledgeable about and concerned with solving the problems of Spanish speaking citizens of Missouri. One of the members of the Council shall be elected as chairman by the members of the Council.
- 2. The Council shall perform the following functions:
  - a. Make recommendations to the departments of state government, through the Director of the Department of Economic Development or his designate, with respect to policies and programs relating to the needs of Spanish speaking citizens of Missouri;
  - b. Advise the Director of the Department of Economic Development or his designate, and the Human Rights Commission, regarding the needs of Hispanic citizens of Missouri;
  - Advise the Department of Social Services, through the Director Of the Department of Economic Development or his designate, concerning the unique needs of Spanish speaking elderly citizens of Missouri;
  - d. Make recommendations, through the Director of the Department of Economic Development or his designate, to the Department of Elementary and Secondary Education regarding education programs for bilingual and bicultural studies and recruitment of teachers qualified to meet the special needs of Spanish speaking citizens of Missouri; and
  - e. Make such other recommendations to the Director of the Department of Economic Development or his designate as the Council may from time to time desire regarding the needs of Spanish speaking citizens of Missouri.
- 3. The Council is assigned for administrative purposes to the Department of Economic Development.

This order shall be effective immediately and shall terminate on December 31, 1985, and shall supersede all previous Executive Orders pertaining to the same subject.

IN TESTIMONY WHEREOF, I have hereunto set my hand and caused to be affixed the Great Seal of the State of Missouri, in the City of Jefferson, on this 12th day of December, 1984.

[Christopher S. Bond's signature] GOVERNOR

ATTEST:

[James C. Kirkpatrick's signature] SECRETARY OF STATE



#### EXECUTIVE ORDER 79-26

WHEREAS, as Governor of the State of Missouri, I Joseph P. Teasdale desire to enhance the quality of life in Missouri in all social, economic, cultural and educational aspects; and

WHEREAS, the Spanish-speaking residents of the state have special needs and concerns upon which Missouri should focus her attention.

NOW, THEREFORE, I, JOSEPH P. TEASDALE, GOVERNOR OF THE STATE OF MISSOURI, by virtue of the authority vested in me by the Constitution and laws of the State of Missouri, do hereby establish the Governor's Advisory Council on Hispanic Affairs, ad hoc.

FURTHER, the Council shall be comprised of fifteen members, appointed by the Governor, who shall be knowledgeable about and concerned with solving the problems of Spanish speaking people, one of whom shall elected as chairman by the members.

FURTHER, I declare that the Council shall perform the following functions:

- To make recommendations to the various departments of state government on existing policies and programs relating to the needs of Spanish speaking people,
- To advise the Governor's Council on Affirmative Action and the Human Rights Commission regarding the needs of Hispanic people in developing programs of those agencies,
- 3. To advise the Department of Social Services concerning the unique needs of Spanish speaking elderly,
- To make recommendations to the General Assembly regarding legislation to establish curriculum programs for bilingual and bicultural studies,
- 5. To promote recruiting of teachers qualified to meet the special cultural needs of the Spanish speaking, and
- To make such other recommendations to the Governor as the Council may, from time to time, desire regarding the needs of Spanish speaking people.

FURTHER, the Council is assigned for administrative purposes to the Department of Consumer Affairs, Regulation and Licensing, Division of Community and Economic Development.

FURTHER, this order shall be effective immediately and shall terminate on December 31, 1980, unless that date shall be extended by Executive Order prior thereto.

| IN TESTIMONY   | WHEREOF, I her | eunto set my hand and | caused to be affixed the G | reat Seal of the State of |
|----------------|----------------|-----------------------|----------------------------|---------------------------|
| Missouri, this | day of         | , 1979.               |                            |                           |
|                |                |                       |                            |                           |
|                |                |                       | Joseph P. Teasdale         |                           |
| Attest:        |                |                       |                            |                           |
| SECRETARY OF   | STATE          |                       |                            |                           |

## MISSOURI

## Hispanic Business, Trade and Culture Commission Missouri Department of Economic Development

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